A LECTURE

ON

POLITICAL ECONOMY,

DELIVERED BEFORE THE

MECHANICS' INSTITUTION, BOMBAY.

BY

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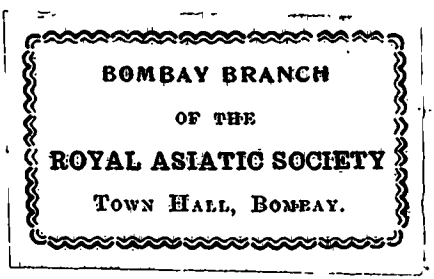

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POLITICAL ECONOMY.

I NEED not trouble you with a scientific definition of the subject on which I have the honour to address you. It is sufficient to say that Political Economy treats of the means of living. Everything we eat, drink, wear, use, and enjoy (with the exception of such universal blessings as air and light) has been produced or procured by human labour, and has been delivered to us for a certain price. Why then has an article fetched a particular price? Or how is it that we have got the money to pay for it? To these questions Political Economy furnishes an answer, showing us general principles by which every individual is affected. The laws of Political Economy control men in social life just as the law of gravitation controls them in physical life. We may go on walking and running and lying down without ever thinking of the law of gravitation, and so we may go on enjoying the conveniences of social life, without considering what has caused them to be provided for us. I remember once travelling with a party of people among the Cumberland Lakes. One of the number philosophically observed "How very kind it is of society to have things ready for us wherever we go, hotels and refreshments, and horses and guides." To which a lady answered, "I don't see that it is at all kind, because we "*pay* the people for whatever we have." But she was then reminded that what she called *paying* meant this, that society had kindly

provided her with a number of the most portable and convenient counters, called sovereigns and shillings, and had arranged that she should give back one or two of these, if she wanted to use the rooms or the carriages or the refreshments, which other people had taken a great deal of trouble to get ready.

The state of things in which we live seems to most people—especially to those who are in easy circumstances—so perfectly natural, that it never occurs to them to reflect at all about it. But there are some who take a different point of view and declare that our social institutions appear at first sight not natural, but unnatural and requiring a good deal of justification and explanation. Let me read to you Paley's celebrated comparison of the pigeons in the cornfield. He says:—

"If you should see a flock of pigeons in a field of "corn: and if (instead of each picking where and what "it liked, taking just as much as it wanted and no "more) you should see ninety-nine of them gathering "all they got into a heap; reserving nothing for them- "selves but the chaff and the refuse; keeping this heap "for one, and that the weakest, perhaps worst, pigeon "of the flock; sitting round and looking on all the "winter, whilst this one was devouring, throwing about, "and wasting it; and if a pigeon more hardy and "hungry than the rest, touched a grain of the hoard, "all the others instantly flying upon it and tearing it to "pieces;—if you should see this, you would see nothing "more than what is every day practised and established "among men. Among men, you see the ninety and "nine toiling and scraping together a heap of super- "fluities for one (and this one *too*, often-times the "feeblest and worst of the whole set—a child, a mad- "man, or a fool); getting nothing for themselves all "the while, but a little of the coarsest of the provision "which their own industry produces; looking quietly "on, while they see the fruits of all their labour spent "or spoiled; and if one of the number take or touch a "particle of the hoard, the others joining against him "and hanging him for the theft."

This lively simile puts before us in a strong light the results of the institutions of private property and inheritance. The picture is not an unfair one. It exactly answers to the words of seriousness used by Mr. [illegible] who complains that "the produce of labour is appor-"tioned in almost an inverse ratio to the labour itself "—the largest portions to those who have never worked "at all, the next largest to those whose work is almost "nominal, and so in a descending scale, the remunera-"tion dwindling as the work grows harder and more "disagreeable, until the most fatiguing bodily labour "cannot count with certainty on being able to earn "even the necessaries of life." We have come then to the opposite point of view to that from which we started. We now see that society viewed as a whole, instead of being quite natural, is full of inequalities and apparent injustice. The justification of our social institutions and their results is to be found, I think, in this one fundamental principle, that man is a historical being. Every individual is in countless ways dependent on the history of past generations, and future generations will be in many ways dependent on him. Setting property aside, it is impossible that all men should start fair and equal in the world. Are men born physically equal, or intellectually equal, or morally equal? Have all races, climates, religions equal advantages to start with? Let us now apply this principle to the flock of pigeons, and we shall see that the reason why all the flock are gathering corn for that weak and ugly pigeon in the corner, is, that he has got historical claims upon the rest. That pigeon's father and grandfather and great-grandfather were not weak and ugly like himself, but were very fine pigeons, who worked very hard, and collected more grain than they wanted for themselves, and distributed it among the rest of the flock on condition that it should be paid back at some time or other to them or their descendants. Well, the obligation under which they laid the flock became so great—owing to their own energy and self-denial and the imprudence of the other birds—that they acquired

a claim to a large portion of the grain picked up by the whole flock, and also a certain portion of the field was allotted to them for their own. These privileges in course of time vested, we will suppose in the weak and degenerate pigeon which Dr. Paley pointed out to us, who thus occupies the position among pigeons, which first fund-holders and second landlords do amongst mankind. And we may suppose he occupies a third position—namely, that of capitalist—by feeding during the winter time, out of his own hoards a host of birds who have laid by nothing for themselves, and whom he keeps ready to sally out for him directly the harvest time arrives. We see then that by looking more closely at the imaginary field we can trace in it the result of certain historical antecedents which form a justification of what at first appeared anomalous. Suppose we deprive that ugly and degenerate pigeon of his privileges, and put him on a level with the rest, the result will be that society will have broken its contract, and there will be no inducement for energetic pigeons in the future to sacrifice the personal care, or do anything at all for the welfare of their fellows.

Now it may be said than an assertion of the historical principle in man will lead equally to a defence of the institution of caste and such like acknowledged evils. But the truth is, that there are some things we can alter and some things we cannot. Caste might be abolished to the great benefit of mankind, but, if you abolish the institution of property, only two alternatives are possible, and these are—anarchy and socialism. I need not delay to enquire whether it would be a gain to substitute, instead of the present system of property and competition, an anarchical state of things, in which nothing belonged either to the individual or the community. I need not discuss whether it would be an advantage to relapse into barbarism and to fight with our fists (as Horace says) for the acorns under the trees. Only one other alternative remains, and that is, a system of socialism. Either you must allow each individual to do the best he can for himself, and enjoy all that he can

earn by his own labour, or receive as an inheritance from others; or you must substitute for this free and self-working system, a state of things in which there is an elaborate control of society over the individual, his maintenance, his labour, and his reward.

The science of political economy is perfectly deductive and logical, that is to say, all the truths in it are regularly deduced from a few fundamental principles, and therefore it is necessary to apprehend these distinctly. If we give up the principles of property and competition, of course the whole science of Political Economy falls to the ground. But if we once accept these, all that is valuable in economical science will follow naturally and with certainty. The principles of property and competition, however, entirely depend for their validity on this, that the only other alternative—namely, Socialism—is in all its forms impracticable. It will therefore be well worth while before proceeding further to spend a little time in considering the claims of Socialism, the advantages it professes to offer, and the possibility of these being realized.

There is a sort of charm about the idea of socialistic or communistic institutions, which appeals to imaginative and philanthropic minds. To such minds it is pleasant to turn from the evils of the actual world, and to conceive of a society where there is no collision of interests, but all the state is as one happy family. Accordingly, Plato wrote of an Ideal Republic, More of an Utopia, Bacon of a New Atlantic, Harrington of an Oceana. But it was reserved for the present century to put all such visions to a practical test. It is true that in the ancient Greek states, as for instance in Sparta, a system closely resembling that of communism prevailed. But there were three important characteristics with regard to these ancient states, which we must not leave unnoticed. First, they were founded on a basis of slavery, and to the slaves the communistic system did not extend. Second, they were extremely small and very simple in their organization. Third, they

were very short lived, and had no historical developement within themselves.

Now it is plain that communism becomes comparatively easy, if you have a slave population to do all the hard and unpleasant work. For then communism merely means that a society of ladies and gentlemen keep a common table from the produce of slave labour, eschew commerce, and pursue a life of arms or literature. The difficulty arises when the aforesaid ladies and gentlemen have to perform for each other every hard, necessary, and menial service.

And as regards the other points, communism, or any other arbitrary system might possibly be kept up for a short time, and within a small society. The question is, Can any such system be possibly applied to great countries, and complex societies and for long periods of time?

Unless practical experiments in socialism had been made, unless the idea had been *exploited*, or in other words thoroughly worked out, there might always have remained a suspicion or a hope that there was some truth in the system. But fortunately during this century several individuals have given up their lives to the advocacy of communism. They have drawn it out into all its details, and opportunity has been given of making practical trials of it under circumstances as favorable as ever could be looked for. The history of these little episodes in the social development of mankind is not without interest, and I shall pause to set before you in a few words the leading particulars in the life and doctrines of St. Simon and Fourier, the two great French apostles of Socialism.

Henri de St. Simon was born in the year 1760, and died in 1825. He belonged to one of the oldest and noblest families in France. Previous to the Revolution he held a commission in the Army, and served in America under Lafayette. At 17 years old he used to say to himself every morning "Rise, Monsieur, le Comte, "you have great things to do." He was throughout life vain, eccentric, original, and not without earnest-

ness. At 19 years old he presented to the Mexican authorities a scheme for a canal across the Isthmus of Panama. At 25 he memoralized the Spanish Government, advising them to employ the army in making a canal from Madrid to the coast.

When the revolution of 1789 broke out, the career of St. Simon commenced. He seems to have taken no part whatever in political events. He regarded his own personal cultivation and development as of supreme importance for the interests of mankind. He saw that nothing could be done without money, and so accordingly he entered partnership with a Prussian, and set up business as a stock-jobber. His success was not very brilliant, and at the end of 7 years he retired with a capital of only £6,000. He now, at the age of 37, commenced his own education in science and philosophy. In both branches he adopted a very peculiar method, for he learned science by hanging about the polytechnic and the medical schools, and by conversing with savans. And he learned philosophy by travelling, by marriage, and by giving parties.

It is said that St. Simon married without the inducements either of affection or interest, merely as a philosophical experiment, because he wanted, like King Solomon, to make acquaintance with every phase of human life. On the same principle he gave dinners and balls, and went into gambling, and all other kinds of dissipation. St. Simon considered that the path of debauchery, which would lead a common individual to the dogs, would conduct a theoretical philosopher to the pinnacle of wisdom.

Whatever may have been the moral or scientific results of his experiment, the external and financial results were that in one year's time he had squandered all that remained of his £6,000. He found himself in the position of Timon of Athens, and obliged to ask hospitality from those on whom he had formerly bestowed it. For a while he served as a subordinate clerk in a Government office on a salary of £40 a year. And he might doubtless have received royal

patronage at the restoration, but for an unfortunate pamphlet which he brought out, in which he calculated what the consequences would be if France were suddenly deprived of her fifty best artists, her fifty best poets, her fifty best engineers, her fifty best savans, and so on to the amount of 3,000 persons. It would require more than a whole generation, he says, to repair this immense loss to the French nation. But what if we were to lose in one day Monsieur the King's brother, Monseigneur the Duc d'Angouleme, Monseigneur the Duc de Barri, Monseigneur the Duc d'Orleans, Monseigneur the Duc de Bourbon, and a long string of high names, including Madame the Duchesse d'Angouleme and other ladies of quality? What, he says, if we lost all the high officers of the crown, all the ministers of state, all the masters of requests, all the marshals, cardinals, archbishops, bishops, judges, clerks in state offices, and to complete the list, the 10,000 richest landowners? This misfortune, he says, would certainly distress the French because they are kind-hearted, and because they could not witness without emotion the sudden disappearance of so great a number of their countrymen. But this loss of 30,000 persons, reputed to be the most important to the state, would cause grief merely as a matter of feeling, for no real damage would be caused to the nation.

Such was St. Simon's pamphlet, which very naturally stopped his preferment. In this hour of need, however, he seems to have found a true though humble friend. A. M. Diard, whom he had formerly employed, induced him to give up his miserable position, took him home, and maintained him. Until this man's death St. Simon lived in comfort, and composed innumerable works on industry, the re-organization of society, and subjects of the kind.

After the death of M. Diard he lived in great misery, which he appears to have borne with fortitude except on one occasion, when he attempted to commit suicide with a pistol, but only succeeded in mutilating his face. Just before his death his system was published under

the title of the *New Christianity*. Several disciples now surrounded him, among whom was the celebrated Auguste Comte. They all venerated St. Simon, and regarded him as a "modern Socrates." To us he perhaps rather presents the appearance of a theoretical Don Quixote—always however remembering Coleridge's analysis of the character of Don Quixote, which consists in a predominance of the higher aspirations and faculties of the mind, over the ordinary understanding and common sense.

I will now mention the characteristics of St. Simon's plan. His chief object, he said, was to secure to men the freest developement of their capacities. He wished to set labour free from being tyrannised over by capital. He said that under the present system the *exploitation* of man by man is constantly going on, that is to say, the capitalist takes the labourer and exploits him, or in other words treats him as if he were a mine containing a certain quantity of valuable stuff to be thoroughly worked out. St. Simon thought this a great evil which must be stopped by changing all the relations of society.

He proposed that society should be remodelled, and divided into three classes, Artists, Savans, and Industrials. He acknowledged the inequality between men's capacities, and he thought that this should be made the basis of the social system. Men of genius were to belong to the class of Artists, and were to exercise also a sort of priestly function; men of talent and industry but devoid of genius were to belong to the rank of Savans; those whose capacities were physical, rather than intellectual, were to compose the great body of Industrials.

The property then acquired by each individual was to be enjoyed by him for his own life time, but there was to be no such thing as bequest or inheritance. All accumulations of property were to lapse at each person's death to the state, which accordingly would become the universal landholder, and by degrees a gigantic capitalist of ever-increasing resources. In comparing this scheme with the system which the common sense of

mankind in all ages has established in the world, we may pass over the religious innovation at which at aims. It was a decidedly French notion, to give the proposed form of Society the name of New Christianity, and to merge into one the spheres of art and religion. But passing this over, is the scheme capable of being practically worked?

I think that the difficulties attaching to it are so great and obvious as hardly to need pointing out. In the first place, look at the proposal that there shall be no inheritance but only life interest in all property amassed. Such a law goes counter to one of the most natural instincts which belong to man, as a creature "looking before and after," the desire to do something towards the wordly advancement of his children.

There is only one good effect which such a law could have—namely, it would have a tendency to make people spend as much money as possible on the education of their children, as being the most sure investment that could be made for their benefit.

In all other respects this institution of St. Simon would be either ineffective or injurious. It would be ineffective because it would be evaded by deeds of gift and in many various ways. It would also be ineffective for the purposes aimed at by its author, because it would neither secure the equality of men, nor protect the labourer against the power of the capitalist. How could the mere prohibition of inheritance give the children an equal start in life, when the fathers were by hypothesis to be widely different both in wealth and position? Again, since by the perpetual lapse of private properties the state was to be a growing capitalist, how could the state deal otherwise than as a capitalist? Unless the St. Simonian community could isolate itself from the world, it must exchange commodities with other states, and thus must enter the path of competition. If it were to isolate itself and were merely to employ labour for the satisfaction of its internal wants, it would lose all the freshness and health gained by in-

tercourse between nations, and would soon sink down into stereotyped forms. Its citizens being without fear of want and without the hope of acquiring permanent wealth would soon content themselves with slight exertions, and would realize the immobility of the East. Even the most energetic would be encouraged in selfishness rather than in the transcendental virtues. Being forbidden to transmit their gains to posterity they would be likely to adopt the maxim "Let us eat and "drink, for to-morrow we die."

But consider now for a moment the other proposition of St. Simon—namely, that society ought to be based on a threefold division of men according as they possessed genius, talent, or only physical strength. Surely at first sight this division appears far too simple to express all the complex relations of which society is capable, and all the various shades of difference between man and man. Already some such a classification finds its expression in our social ranks, but men fall into it naturally, that is by circumstances, chance, choice, the foresight of their parents and friends, or by resolutely struggling for themselves. There are no doubt many incongruities. The square men get into round holes, and the round men into square ones. But what a fantastic and impossible imagination it is to suppose that the state, or in other words the men in authority, even the very wisest, could settle for each citizen what career he was capable of, and into what class or grade of men he was, solely on account of his natural qualifications, to be elevated or depressed. We may safely say that no wisdom short of omniscience would be sufficient to discharge the office of such a selection.

There are anomalies we confess under the present system. Many a man may feel or fancy that he is qualified for a higher position or more responsible functions than those which circumstances have allotted to him. But he naturally regards his station in life as the one which it has seemed good to Providence that he should occupy, and at all events he has no ground of

complaint against any individual or any governing body. Under the régime of St. Simon, on the contrary, every man's part in the drama of life was to be alloted to him by the Government. Not only then would all mistakes be laid at the door of the authorities, but even every right decision would be the cause of a thousand heart-burnings. Men must be either more or less than men to endure to be ticketed and parcelled out according to the opinion which a Government shall form of their capacities. At present a man joins the ranks of operatives freely and readily, simply because every one has to look out for himself, and those whose forefathers have not saved, must work for their own livelihood, and each man chooses the kind of work which comes most readily to him. But under the system of St. Simon, a man would be made an industrial perforce, because the Government considered him stupid. And what is this but downright slavery? Setting aside all other objections to the St. Simonian plan,—the discontents which it would engender would be sufficient to blow it into the air within a short time after its formation. It is quite wonderful that the disciples of of this school should not have seen that, unless the world were half composed of angels and half of machines, their scheme was utterly impracticable. It appears, however, that the doctrines of St. Simon attracted a considerable number of active minds in France. These persons in associating themselves together did not omit to mix up with their economical theories, the religious terms and ideas adopted by the founder of their sect. They called themselves the *church*. They made themselves conspicuous by a fruitless search for the Female Messiah, who was to reveal to them the exact position to be held by women in their community. They contributed and expended a great deal of money in the support of newspapers for the promulgation of their views. They started a commercial company on principles of organized labour, promising high wages to workmen and high profits to shareholders. By these

promises they succeeded in inducing 1,000 workmen to enrol themselves members, but did not succeed in persuading capitalists to embark to any large extent in their shares. The most tangible result of all was that a M. Enfantin opened a sort of asylum for St. Simonian disciples on his paternal estate. And these 40 youths in a parti-coloured uniform tilled the fields, cultivated the gardens, and performed all necessary offices in common, listened to sermons and discourses of the kind peculiar to the sect, and in short lived very much like a set of monks, with unusual theological opinions.

Finally, in the year 1832, the proceedings of the St. Simonians became obnoxious to the French Government. Proceedings were taken against them; M. Enfantin was sentenced to a short imprisonment, and the follies of the school were brought to a termination.

I will now ask your attention for a very short time to Fourierism, which is called by Mr. Mill the most skilfully combined of all forms of Socialism.

The life of Fourier was not eventful. He was the son of a small tradesman in Besancon. He remained all his life a merchant's clerk, and was only distinguished by his writings. He was born in the year 1772; he lived in poverty; and died, worn out by disappointment, in the year 1838. His great object was to find a patron who would be ready to furnish half a million of money, and give his scheme a fair trial.

Fourier boasted that, as Newton had discovered the law of gravitation, so he had discovered the law of moral attraction, by which society ought to be regulated. He said that all difficulties might be got rid of by adopting the principle of attractive labour, or the theory of passionate groups and series.

When we enquire what this theory is, we find that we have at once to deal with the visions of an enthusiast. Fourier says truly that the armies which are at present employed for defence and for destruction are a great expense and loss to mankind. Instead of these we will have, says he, industrial armies who shall sally forth and reclaim the deserts and effect wonders hitherto

undreamed of. These armies are to be moved, by taking advantage of the passions which exist as so many springs of action in man. Employ these, says Fourier, in harmony instead of disunion, and any result you like may be procured. Labour, he tells us, is at present distasteful because monotonous. Introduce change and variety into labour, and no one will dislike it. Accordingly Fourier proposed that the world should be regenerated by establishing a *Phalanstere* as a specimen of his system and an example to the rest of mankind. *Phalanstere*, though it appears in no dictionary, means a place adapted for Phalange or Phalanx of labours, men who should stand as it were shoulder to shoulder in the battle of life.

The Phalanstere was to be a piece of ground a square league in extent. The Phalanx was to consist of 1800 persons, who for the purposes of work were to be subdivided into groups and series.

One great economical principle of the phalanx was, that by associating they were to save so much labour in a variety of things that they would start with a balance in their favour over all other communities. They were to inhabit an immense building or palace in the centre of the Phalanstere, and were to effect a great saving at the outset by a centralization of baking, cooking, and all servant's work. To this we must add a saving to be effected on fetching, carrying, and distribution,—all the labour of middle-men, shop-keepers, and merchants being vastly concentrated and economized.

The labour thus saved and gained was to be available for other purposes, and it remains for us to see what motives there would be to stimulate and direct it. Fourier did not propose an entire community of goods nor an equality between men. He recognized and admitted the three principles of capital, talent, and labour. He invited capitalists to invest their money in the different works upon the Phalanstere, and out of the periodical produce he offered to assign the following proportions.

To the capitalist	Four-twelfths.
To the labourer	Five-twelfths.
To the man of practical and theoretical knowledge	Three-twelfths.

It may indeed strike us that, in the peculiar arrangements of the phalanx, it would have been rather hard at the end of the year to balance accounts, but such was the offer made by Fourier. We see that he does not leave out the instinct of gain from his calculations; but the other passions were those on which he chiefly relied. He always called his system, the system of *harmony* as opposed to *civilization* (that is, the present state of things), for which he had a great contempt. In the harmonian system there would be twelve passions, said Fourier, by means of which everything would be accomplished.

The first five passions would be those of the senses, material rather than spiritual. The next four passions would be of a higher character—namely, love, friendship, ambition, and familism.

The last three passions in his list seem to be rather characteristic of the French, than common to the human race. They are called the *butterfly*, the *cabalistic*, and the *composite* instincts. The butterfly instinct consists in a love of variety and a dislike to pursue the same occupation long. The *cabalistic* instinct, or party spirit, is defined to be that reflective enthusiasm or love of excitement, which commonly finds its gratification in political intrigues. The *composite* instinct, on the other hand, consists, as Fourier tells us, in blind earnestness or devotion. And this would no doubt be the most desirable of all the passions for the inhabitant of a Phalanstere.

Above all things Fourier promised that labour under his system would be made attractive. He said, "Not only will the labours be lightened by being carried on in groups, with singing and dancing, and with an agreeable rivalry between one group and another, but men also will choose their own occupations, and will of course select those which they find pleasant. At the

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end of the labours of two hours, the members of a group will go to other work as each of them is disposed; one to the poultry yard, another to the dovecote, a third to the kitchens, a fourth to the greenhouses, a fifth to the workshops. All the reunions are good-humoured, because they consist of free members who have volunteered for the particular service."

To this it has been well objected by Mr. Sargant in his amusing little book on Social Innovators and their Schemes, that, according to this arrangement, some of the occupations would be overdone with hands, while others might be neglected. "In a fine day of summer, with a soft breeze and delicious odours of flowers, and the soothing sound of a distant waterfall, with every sensuous gratification which the garden of a Phalansterian palace would afford, people might be excused if they preferred tending the flowers to sweltering in a hot kitchen; and, disguise it how you may, victuals cannot be cooked without heat. How inconvenient if the group of cooks, having concluded their two hours' task at eleven o'clock, left their fires and stewpans, and rushed together to tie up flowers, or adorn a cool grotto, and if no other members selected the repulsive task of going on with the dinner. How trying to the tempers of this temple of Epicurus, if at the dinner hour it were found that the soups were tasteless and the meats burnt or sodden! I fear the spontaneous system would be out of credit for that day, and that there would be mutterings about the superiority of paid cooks. In the spring, when damps are succeeded by east winds, even in la belle France, there would naturally be a rush to in-door employments; to the workshops and kitchens; the farms and gardens would be neglected; the flowers of the succeeding summer would fail from want of previous attention, and the autumn crops would be deficient.

"Then again certain groups would naturally form themselves around seductive persons. The prettiest girls and the most jovial men would attract all their

companions. The coquetry of a beauty, or the whim of a wit, would disturb the balance of the labours of a day; to say nothing of rivalries or heart-burnings, of a friend's sulks, or a lover's jealousies. This playing at duty would be grievously heavy work."

Besides pleasure and attractiveness in the works themselves, Fourier proposed to avail himself of two inducements—namely, the hope of gain and the spirit of devotion. Even a socialistic visionary could see that there was a great deal of hard, dirty, and disagreeable work to be done in the world, which every one, unless there were a strong inducement, would avoid doing. Fourier then said that a higher rate of pay should be offered for such tasks. This, however, was almost returning to the ordinary course of the world in which the wages of labour are regulated by supply and demand. Fourier proposed a sentimental remedy for the difficulty, and said that the spirit of devotedness—such as impels people to make great sacrifices for a noble cause—would insure all necessary labours being performed for the Phalanstere. But surely the parallel is broken by the existence on the one side of the term *noble*, and by its omission on the other side. People will sacrifice themselves for a noble and adequate end, and one that appeals to their imagination. The statesman will sacrifice ease and pleasure for the sake of his country, the soldier for his cause, the missionary for his religion. Ladies will tend their countrymen in far distant hospitals, mothers will do everything in the world for their children at the hour of need. But from these instances it does not follow that the spirit of devotedness will turn a sufficient proportion of society into daily drudges, into hewers of wood and drawers of water for the rest. If the basis of Fourier's social machine were to fail, how would its place be supplied? Only in one of two ways—either by returning to the old self-adjusted course of things, or by the assertion of the will of society in compelling individuals to perform particular duties. And this latter alternative would be too galling to be of long continuance.

There was a pleasing and poetical softness about all the schemes of Fourier. The question however is, Could they be practically carried out? He regarded mankind as a gentle and sentimental race, but this is perhaps only half of their character. He wished that in the serious labours of life they should still be like those groups of Arcadian peasants that we see on Dresden vases, or like a *fête champêtre* in one of Watteau's pictures. But in making work light, varied, and passive, it is to be feared that he would also make it inefficient. It is true that the monotony of labour is an evil. It impairs to a certain extent the elasticity of our minds and bodies. But by concentration a man's powers are rendered more effective, so that he may console himself on Fourier's principle of devotedness by feeling that what is irksome to himself is a benefit to society. At all events, the practical difficulties attending the Phalanstere appear far too great to allow us to think that is to be the remedy for the monotony of work.

Another instance of the softness of Fourier's mind is to be found in the fuss he makes about sheltering labourers from the weather. He seems to have thought that men were made of sugar or salt, and in danger of being melted by a drop of rain.

He says: "The King of France has not even a portico to shelter him from the weather as he enters his carriage; how much greater the poverty of the plebeian, who in the army must bivouac on the snow or in the mud; whilst in the harmonian plan the peasant will work in the open air only during fair weather; and he will find at every point of the province *belvideres* and *kiosques*, in which are kept tents and clothes, and to which will be brought at the end of the work-time of an hour and a half or two hours' refreshments, and carriages if it rains."

Delightful promises, but not destined to receive fulfilment! In many places, since the death of Fourier, in France, in North America, in Africa, and in Brazil, the Phalange has been tried, but in every instance it has so

completely failed as to be soon abandoned. In Algeria it is remarkable that colonies have been planted side by side, the one representing the principles of private property and competition—the other on a socialistic basis. And the socialistic colony has dwindled away, while the other has prospered. It as an old remark, that Communism, Socialism, and all schemes of the kind presuppose in man a greater perfection than he has yet attained to, greater purity and steadfastness of motives, greater disinterestedness, and a more perfect and constant love and charity. I have dwelt thus long on the two great French Socialistic schemes, in order that we may see clearly their futility. And if clever men, giving up their whole life and thoughts to the subject, cannot make any better thing than what we have seen, out of the details of Socialism, it seems to follow that there must be some inherent weakness in the basis of such plans. There must be some impossibility or contradiction, included in the socialistic principle itself. And if this be conceded, if we give up socialism in all its forms as impossible, there comes in as a necessary alternative the principle of *individualism* —individual property, individual rights, liberty of competition, and the law that the general interests of society are best secured by each individual pursuing his own interests—these form primary truths from which the whole science of Political Economy may be deduced.

It may be thought that I have been sticking up mere men of straw in order to knock them down again. But in reality the fallacies of socialism are very seductive, and require constantly to be exposed. Many writers and thinkers who would be ashamed to declare themselves disciples of Robert Owen or St. Simon yet adopt partial views, which, if logically carried out lead directly to socialism. The main characteristic of socialism I conceive to be, that society undertakes to regulate for the individual things, which ought to be allowed to regulate themselves. Now, look at the relations of labour to

capital. How often do we find in sentimental writings a hankering after some external law which shall regulate the rate of wages irrespective of the rate of profits. But follow this out, and the State will of necessity be obliged to go further, and to mix itself up in the transactions of trade, and to do what before was done by individuals. A specimen of this hankering is to be found in the papers recently contributed by Mr. Ruskin to the *Cornhill Magazine*. Mr. Ruskin has confessedly in those papers touched on a subject with which he was unacquainted, and accordingly has fallen into grievous mistakes which have been ably exposed by various critics. But Mr. Ruskin was perhaps little conscious, and it has not been noticed by his reviewers, that he was playing the game of the French socialistic writers. On no other hypothesis than that of socialism could the objects which Mr. Ruskin considers desirable, be rendered possible of attainment. It is only in a system more extravagant than the Phalange of Fourier, or the new Christianity of St. Simon; that the last workmen could receive the same wages as the first; in other words, that wages could be regulated without a distinction of skilled and unskilled labour, and without a reference to the demand and supply. Again, how frequently do we see complaints against the principle of competition. This principle, it is said, grinds down the labourer, causes waste in production, and even causes a deterioration of the article itself. To those who bring such complaints we can only say over and over again,—What is your alternative? The only alternative is socialism —and socialism is impossible. Unless you believe the things can be produced by festive groups, who work because labour is attractive, they must and will be produced under the stimulus and check of competition. A clear-headed writer on these subjects has supposed himself standing at daybreak on the top of St. Paul's Cathedral, while the summits of the vast area of London are still clearly visible in the pure morning light, and the immense outlying giant has not yet drawn over himself his daily veil of smoke from innumerable

chimneys. The writer reflects on the mass of human beings on whose dwellings he is looking down—a mass to which the largest armies would be as mere fractions; he reflects on their manifold and constantly recurring wants, and he asks himself, By what system of commissariat is all this permanently encamped multitude supplied with daily provisions? They are supplied, not with provisions merely, but with everything that man can produce or procure for man. The sea is ransacked for her fish, and the farthest countries are explored for their fruits or manufactures. The supply is adequate; it is ever fresh and unceasing; and lastly it is never in excess. The commissariat which supplies London is wiser than that which fed our Crimean armies,—in London there are no seasons of inadequate supply, followed by an overstock of necessaries. There is no Balaklava with vast stores rotting untouched, within a few miles of a starving army. Finally, all that is done is done by no wisdom of a government, by no foresight of a bureau, but simply by the unrestricted action of thousands of individuals, each pushing out his own interests under the law of competition, and thus producing a great harmony of antagonisms. There are enough provisions brought to London (as to other large cities), simply because it pays individuals to bring them. And the right quantity is brought, because individuals cautiously feel their way to a market, being sensitive of the least tendency to loss; whereas, did Government undertake the commissariat function for a whole people, there would be greater waste and a less exact index of the popular wants. This, then, is one instance of the principle that the interests of society are best attained by suffering individuals to push out their private interests in rivalry with each other.

But now you will say to me,—It is true that the interests of society as a whole are in this way best promoted. Take the civilization of London as a whole, and she shines like a jewel in the face of heaven. But under this civilization, what a stratum of squalid misery! How many hundreds of families does London contain,

living in hopeless wretchedness! Look at the miserable pittance which many kinds of labour with difficulty obtain. Does not competition too much sacrifice the parts to the whole?

I acknowledge fully that all civilization has what may be called its *seamy* side. But there are two things which we ought not to confound together; one is the poverty of the poor, and the other the disadvantageous position of labour in relation to capital. Poverty will always exist, because it is the result of human weakness, and it is the case above all others in which the sins of the fathers are visited upon the children. The hopelessly poor are generally those helpless mortals without intelligence and without will, of whom, on account of their great misfortunes, we must think tenderly; but for whom the remedy certainly is not to undo the institutions of society, and interfere with competition. To raise such people as far as possible morally and intellectually; to rescue their children from them, and give the next generation a better start, must be the good man's desire, as it is the only efficacious course.

Let us now consider the relations of labour to capital. The capitalist is generally represented as a sort of Ogre, who devours labourers. The labourers are said to make his fortune for the capitalist, without deriving any benefit for themselves, and without receiving help or mercy in time of need. Now, of course, Political Economy cannot teach a manufacturer to be benevolent to his workpeople. For lessons of the heart he will look elsewhere. Many capitalists are brilliant examples of kind and paternal feeling. But this is a consideration for morals, and not for Political Economy, which merely has to investigate the results and working of general economical laws. What, then, does it tell us about labour and capital?

Capital is money saved; it is the result of abstinence and self-denial, and therefore ought of full right to be enjoyed by the capitalist. Capital and labour are necessary to one another. Capital is absolutely necessary for the maintenance of the labourer until the

harvest is grown and reaped, or till the article is finished and sold. On the other hand, capital, unless it could meet with hands, would of course be a mere dead letter. The first relation then of labour and capital is the relation of mutual necessity. The second relation is one of antagonism, because the object of the capitalist is to make profit, which unless he can do, he will not manufacture or invest his capital at all, and thus society will be deprived of his useful products. But profit must of course stand in an inverse ratio to wages, because, the more a thing costs to produce, the more there is to deduct from the price for which it is sold. The labourer then wishes wages to be as high as possible, and the capitalist wishes them to be as low as possible. Labour and capital thus stand antagonistic to each other, and we may ask on which side is the advantage? The answer must be different in different countries. In new and thinly populated countries, where there is a spirit of enterprize, labour has it all her own way, and can almost dictate her own terms. This is the case in many parts of America, and Australia, and in the West Indian Islands since the emancipation of the slaves. In France and England, on the contrary, the capitalist is thought to have so much the advantage on his side that he has been turned into the *monster* of sentimental novels. It must be confessed that there is one characteristic of capital which is permanently in its favour, and this characteristic may be summed up by the one word "flexibility." Capital sunk in machines or improvements of the soil, of course loses to some extent this characteristic. But, generally speaking, the labourer knows how to do one thing only; he has only one set of ideas; he lives from hand to mouth, and is, as it were, rooted to one particular locality. Capital, on the other hand is generally possessed by persons of intelligence, and thus can find a hundred outlets for itself: it can be speedily removed from a losing concern, and re-invested in some undertaking at

the other side of the globe. Capital morever is under no life and death pressure, as labour frequently is. Capital is before the world, it is in command of credit, it does not hear the cry of hungry children. The great advantage then of flexibility is on the side of capital.

The question is, How can the balance be restored? What natural aids can be thrown in on the side of labour? I think the first point is, to discard all idea of such aids as are unnatural. We must discard all idea of legislative interference with the rate of wages. Secondly, we must discard all belief in what is called the "prudential restraint," which simply means that labourers are to abstain from marriage, with a view of keeping down the labour market. It seems to me expecting rather too much from human nature to expect that a man, who is young and strong, and getting pretty good wages, will abstain from marriage either from the fear that his own sons will compete with him in the labour market, or from a pure regard for the universal interests of labourers in the next generation.

To give flexibility to labour you must add to it—first, intelligence; second, the power of locomotion; third, the look-forward of a month or two instead of the habit of living from hand to mouth. *Intelligence* grows daily among the labouring classes. The exertions of Government and of individuals in providing educational establishments, the spread of cheap newspapers, the increase of libraries and of mechanics' institutes; all tend in the same direction—that of raising the labourer in the scale of thinking beings, and pointing out to him the openings and the resourses of the world. With increased intelligence will come also higher notions of comfort and respectability. And from these will flow later and more prudent marriages. The power of *locomotion* is also immensely increased in these times in which we live. And there is one other resource on the side of labour which we must not omit to mention, and that is the resource of *combination*. There are two ways in which the combination of labourers may

take place—either in co-operative works like those at Rochdale, or in Trades' Unions. In the co-operative works labourers contribute their own capital and so become independant of the capitalist. The very starting of such a plan implies previous saving on the part of the labourers, and therefore a certain degree of prudence and intelligence. At Rochdale they chose from among themselves two or three persons to whom the chief conduct of their concern was intrusted. Wages are regularly paid out of the capital, and profits are afterwards divided in the shape of interest upon shares, payment for supervision being first deducted. Mr. Mill is very hopeful as to the success and the spread of such co-operative institutions. Their success will of course depend on the ability and energy of the members who in each case are chosen as managers, and on the docility and forbearance of the rest of the co-operatives.

Mr. Mill also thinks that it may come to be more generally the custom in all sorts of undertakings for the capitalist to assign to the workmen a certain ratio of the profits which he realizes. This plan would have the advantage to the capitalist of thoroughly enlisting the sympathies of all the workmen in his success. To the labourer it would have the obviously good effect of giving him better pay in return for increased exertions. And it would also remove all sense or idea of injustice between himself and his employer, Such plans will be tried by experience. If they are found to pay, they will be adopted. If not, their failure will show that there is something unsound in them.

Trades' Unions will in all probability increase and multiply. Some persons declaim against them, and deny the right of workmen to combine for the purpose of influencing the labour market. But I am unable to see why capitalists should have the right of combining and forming joint-stock companies with all the power of accumulated capital, if the right of combination is to be denied to labourers. Each side surely may be allowed to do the best they can for themselves. Trades' Unions are very various in their operation. Some are

productive of ill feeling, others are temperate and reasonable. They will all probably improve in wisdom, if not, their members will suffer for the want of it. A Trades' Union is not a mere society for the encouragement of strikes. In its normal form it has far more of the nature of a benefit society. It is the labourer's bank, his insurance office against sickness and superannuation, his provider of travelling expenses in bad times, when a move is necessary. The question of strikes is a mere question of prudence among the workmen. No doubt it is a difficult one to answer. But the Trades' Unions themselves will cause an amount of discussion and ventilation of the subject, which cannot result otherwise than by giving both men and masters a truer insight into their position and their interests.

I have briefly touched upon the wages of the labourer. I shall add a very few words on the expenditure of the rich. I remember when the Irish famine of 1846 took place. I was then at Oxford. Two of our undergraduates—Lord Dufferin and the Hon. Mr. Boyle—started off from Christ Church, saw with their own eyes the wretched Skibbereen and other villages in the West, brought back an account of the horrors they had witnessed, and published an account of them in a graphic pamphlet. The result was that committees were formed in Oxford for the relief of the starving Irish, and every one subscribed what he could afford. A generous idea was then adopted—that we ought to combine self-denial with liberality, and so it was agreed that we should give up eating dessert, and contribute the money saved to the Irish relief fund. You are aware that the mode of hospitality among the undergraduates of Oxford is that they ask each other to dessert and wine in their own rooms after the college dinner, which takes place in large halls, and at which no wine is given. These desserts are provided by confectioners at the rate of eighteen pence a head, and are renowned for their unwholesome character. Well, we did not give up *wine* as a contribution to the famine, but we gave up *dessert*. And as there were about 500 young men

who joined the society, and each made a saving of eighteen pence a day for several weeks, it is easy to see that a considerable sum would be collected for the Irish. But it is equally plain that the same sum was abstracted from the Oxford confectioners. And somebody at last called attention to this fact, on which a great deal of discussion arose and even pamphlets were written on the subject, in which it was seriously debated whether we did right in injuring the confectioners by withdrawing our custom from them. At last people's consciences were quieted by a pamphlet which settled that confectioners were unproductive labourers, and therefore worthy of less consideration at our hands.

I think you will allow that all this was sufficiently juvenile. In the first place it showed a perfect innocence of political economy to fancy that under any ordinary circumstances it could become a matter of duty to buy cakes or preserves or any other articles out of regard to the vendors. On the same principle we should have been justified in going occasionally to the shops, and asking whether the shopkeepers would not give us the articles a little cheaper than usual on grounds of benevolence and regard for *us*. In the second place the solution given of the difficulty was equally absurd with the difficulty itself. For the difference between productive and unproductive labour, as far as I can make it out, simply comes to this:—Productive labour is devoted to making or procuring something which is to be in some way or other a means to further production of material wealth. Unproductive labour has not this characteristic. For instance, making a loom is productive labour, because the loom when made will be a means to making cloth, and will tend to enrich the world by an addition of so many pieces or bales. All makers of tools and instruments are productive labourers, because they provide the means of ulterior production. So, too, all who are concerned in producing the necessaries of life are productive labourers, because the want of these necessaries would bring all other labour to a stand-still.

But here you will perceive that in many cases the distinction will be hard to preserve, and one class will easily run into another. For instance, is the brewer a productive labourer, or not? The answer to this must depend on your opinion whether beer is a necessary of life, or merely a luxury, and whether a man, in drinking it, merely enjoys it as an end in itself, or also makes it a means to increased activity in adding to the material wealth of the world. Or again, might not champagne be looked upon as a very productive article, seeing that it lubricates the machinery of diplomatic and official dinners, and perhaps frequently assists commerce in coming into play?

The fact is that the distinction between productive and unproductive labour seems hardly worth maintaining. A better and more philosophical classification would be to recognize the distinction between means and ends. The end is that which we desire for its own sake, the means, that which we desire for the sake of the end. All men ought to be in some way or other labourers. They should produce either means or ends, and both kinds of producers are entitled to equal respect. All material wealth is of the nature of a means, and that is the reason why I roughly defined Political Economy to be the science of the means of living. Well, to increase in wealth is obviously the destiny and duty of the human race, but it is, after all, only accumulating and increasing the means of living. It would be absurd to think about the means always. You might as well have a road leading nowhere. The ends of life are its employment and its enjoyment. The employment of life must come from ourselves; those that produce for us objects of enjoyment, or those who elevate us in ourselves, are those whom Political Economists call unproductive labourers, but who may be perhaps more fairly regarded as producers of the ends of life. Now of course, when speaking of enjoyments as the ends of life. I do not mean to advocate an epicurean theory. I merely mean that there are many

things which we desire, innocently enough, for their own sake, because we like them and not because they are necessaries of life or means of acquiring greater wealth. Between the worth and value of ends, as compared with each other, there is, of course a scale, of almost infinite degrees. At the one end of the scale you have pleasant foods and drinks, new and agreeable clothes, jewels, horses, carriages, fine houses, guns, yachts, gardens, packs of hounds, opera boxes, and all other toys. Higher up you have works of art, music, and poetry. Higher still those things which satisfy the intellectual and spiritual wants. To assign to all these various ends their proper relative worth is the province, not of Political Economy, but of morals or philosophy. But still, Political Economy is justified in classing all these together as productions of the human hand, or the human brain, which do not lead to any further production, or the increase of material wealth. And so too, with regard to *luxuries*, the lowest of those things which we reckon as desired for their own sake. How far luxuries should be indulged in, is a question for each individual to settle for himself, under the guidance—first, of prudence with regard to his own and to his family's pecuniary position; second, of the customs of society with reference to his station; third, of morality with regard to temperance and intemperance; fourth of reflection upon his calling as a man and, upon the ideal, or examples which he sets before himself in life. But while Political Economy leaves alone all question about the moral aspect of luxuries, it of course pronounces upon their economical effect. A cynical writer of the last century, Dr. Mandeville, in his celebrated fable of the Bees, took as his subject, the position that "private vices" are "public benefits," arguing that a nation could not cease to be luxurious, without declining in power. But the conclusion does not follow from the premises. For though it is better that a nation should obey the stimulus which is given by higher notions of comfort, of elegance, and of luxury,

and should press on in the race of industry, it is by no means necessary that these comforts and luxuries should assume the odious form of individual vices. Luxuries are to a nation as a reserve against the time of need. Just as a man who keeps a carriage, if he meets with pecuniary losses, can put down his carriage and in other respects live as before; so a nation can in time of dearth dispense with her luxuries which were before a margin to her necessary expenditure. If a people lives habitually on the bare necessaries of life, as the Irish peasantry were in the habit of doing before the famine, the failure of a crop, or any diminution in their ordinary resources, comes down upon them with most fatal effect. Luxuries then are, nationally speaking, a reserve, that is to say, a nation ought to raise its scale of *earning* up to that point where it can afford to purchase luxuries. And the Oxford undergraduates, in the case which I mentioned, by striking off their dessert as a contribution to the relief fund, did exactly what it is natural to do, when a time of real necessity comes.

C. Caswell, Printer, Broad-street, Birmingham.

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Digitized with financial assistance from the
Government of Maharashtra
on 15 June, 2016